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#### DEPARTMENT OF COMMERCE

**International Trade Administration** 

A-570-890

Wooden Bedroom Furniture from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and New Shipper Reviews; 2012

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce ("the Department") is conducting the eighth administrative review ("AR") and a new shipper review ("NSR") of the antidumping duty order on wooden bedroom furniture ("WBF") from the People's Republic of China ("PRC"). The AR covers 60 exporters of subject merchandise, of which the Department selected three companies for individual examination. The NSR covers one exporter and producer of subject merchandise. The period of review ("POR") for the AR and NSR is January 1, 2012, through December 31, 2012. The Department preliminarily determines that one of the mandatory respondents in the AR and the respondent in the NSR have made sales of subject merchandise at less than normal value. Additionally, the Department preliminarily determines that it will treat the other two mandatory respondents in the AR as part of the PRC-wide entity. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: Insert date of publication in the Federal Register.

FOR FURTHER INFORMATION CONTACT: Patrick O'Connor, Lori Apodaca, or Jeffrey Pedersen, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0989, (202) 482-4551, and (202) 482-2769, respectively.

#### SUPPLEMENTARY INFORMATION:

### Scope of the Order

The product covered by the order is wooden bedroom furniture, subject to certain exceptions. Imports of subject merchandise are classified under the Harmonized Tariff Schedule of the United States ("HTSUS") subheadings: 9403.50.9042, 9403.50.9045, 9403.50.9080, 9403.50.9042, 9403.50.9045, 9403.60.8081, 7009.92.1000 or 7009.92.5000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written product description in the *Order* remains dispositive. 2

### **Methodology**

The Department is conducting these reviews in accordance with sections 751(a)(1)(B) of the Tariff Act of 1930, as amended ("the Act") and 19 CFR 351.214. The Department calculated export prices in accordance with section 772 of the Act. Because the PRC is a nonmarket economy ("NME") within the meaning of section 771(18) of the Act, the Department calculated normal value in accordance with section 773(c) of the Act. For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum, which is hereby adopted with this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at <a href="http://iaaccess.trade.gov">http://iaaccess.trade.gov</a> and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary

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<sup>&</sup>lt;sup>1</sup> See Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Wooden Bedroom Furniture From the People's Republic of China, 70 FR 329 (January 4, 2005) ("Order").

<sup>2</sup> For a complete description of the Scope of the Order, plasse see "Decision Memorandum for Preliminary Results".

of Antidumping Duty Administrative and New Shipper Review: Wooden Bedroom Furniture from the People's Republic of China," from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance ("Preliminary Decision Memorandum"), dated concurrently with this notice.

Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

### PRC-Wide Entity

In the <u>Initiation Notice</u> for the AR, we stated that "for exporters and producers who submit a separate rate application or separate rate certification and subsequently are selected as mandatory respondents, these exporters and producers will no longer be eligible for separate-rate status unless they respond to all parts of the questionnaire as mandatory respondents."<sup>3</sup> The Department selected Marvin Furniture (Shanghai) Co., Ltd. ("Marvin Furniture"), Foliot/Meubles Furniture Inc., Foliot Pacific, and Foliot Corporation (collectively, "the Foliot Group"), and Hualing Furniture (China) Co., Ltd., Tony House Manufacture (China) Co., Ltd., Buysell Investments Ltd., and Tony House Industries Co., Ltd. (collectively, "Tony House Group") as mandatory respondents.<sup>4</sup> Marvin Furniture failed to answer all sections of the Department's antidumping questionnaire, failed to respond to a supplemental Section A questionnaire, and subsequently withdrew from participating in the AR.<sup>5</sup> The Foliot Group failed to answer two supplemental questionnaires pertaining to its Sections A, C, D, and E responses and also subsequently withdrew from participating in the AR.<sup>6</sup> As such, for the reasons explained in the Preliminary Decision Memorandum, neither Marvin nor the Foliot Group established its eligibility for a separate rate, and, thus, we are treating both companies as part of the PRC-wide entity. The PRC-wide entity rate is 216.01 percent.

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<sup>&</sup>lt;sup>3</sup> See Initiation Notice at 78 FR 13626, 13628.

<sup>&</sup>lt;sup>4</sup> See Preliminary Decision Memorandum.

<sup>&</sup>lt;sup>5</sup> See Letter from Marvin Furniture to Penny Pritzker, Secretary of Commerce, Re: "Withdrawal as Mandatory Respondent from the Eighth Administrative Review of Wooden Bedroom Furniture from the People's Republic of China," dated July 18, 2013.

<sup>&</sup>lt;sup>6</sup> See Letter from the Foliot Group to Penny Pritzker, Secretary of Commerce, regarding "Withdrawal as a Mandatory Respondent - Foliot Furniture Inc. Wooden Bedroom Furniture from China," dated September 12, 2013.

In addition, 44 companies that remain under review failed to provide separate rate applications or certifications necessary to establish their eligibility for a separate rate. For a complete list of these companies, see the Preliminary Decision Memorandum. The Department preliminarily determined to treat these 44 companies as part of the PRC-wide entity.

# Preliminary Results of Review

Regarding the AR, we preliminarily determine that the following weighted-average dumping margins exist for the period January 1, 2012, through December 31, 2012.

Exporter	Weighted-average dumping margin (percent)
Hualing Furniture (China) Co., Ltd., Tony House Manufacture (China) Co., Ltd., Buysell Investments Ltd., Tony House Industries Co.,	3.81
Ltd.	
PRC-wide entity	216.01 <sup>7</sup>

Regarding the NSR, we preliminarily determine that the following weighted-average dumping margin exists for the period January 1, 2012 through December 31, 2012:

Exporter	Producer	Weighted-Average Dumping
		Margin (percent)
Dongguan Chengcheng Group	Dongguan Chengcheng Group	10.71
Co., Ltd.	Co., Ltd.	

#### Disclosure and Public Comment

The Department will disclose calculations performed for these preliminary results to parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs no later than 30 days after the date of

<sup>&</sup>lt;sup>7</sup> The PRC-Wide Entity includes Marvin Furniture (Shanghai) Co., Ltd., Foliot Furniture Pacific Inc., Foliot Furniture Corporation, and Foliot Furniture Inc./Meubles Foliot Inc.; and the 44 entities for which the Department initiated a review but which did not establish their separate rate eligibility. *See* the Preliminary Decision Memorandum for the names of the 44 companies.

publication of these preliminary results of review.<sup>8</sup> Rebuttals to case briefs may be filed no later than five days after the written comments are filed and all rebuttal comments must be limited to comments raised in the case briefs.<sup>9</sup>

Any interested party may request a hearing within 30 days of publication of this notice.<sup>10</sup> Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.<sup>11</sup>

The Department will issue the final results of this AR and NSR, which will include the results of its analysis of issues raised in any briefs received, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Deadline for Submission of Publicly Available Surrogate Value Information

In accordance with 19 CFR 351.301(c)(3)(ii), the deadline for submission of publicly available information to value factors of production under 19 CFR 351.408(c) is 20 days after the date of publication of these preliminary results.<sup>12</sup> In accordance with 19 CFR 351.301(c)(1) (2012), if an interested party submits factual information less than ten days before or on the applicable deadline for submission of such factual information, an interested party may submit factual information to rebut, clarify, or correct the factual information no later than ten days after

<sup>&</sup>lt;sup>8</sup> See 19 CFR 351.309(c).

<sup>&</sup>lt;sup>9</sup> See 19 CFR 351.309(d).

<sup>&</sup>lt;sup>10</sup> See 19 CFR 351.310(c).

<sup>&</sup>lt;sup>11</sup> See 19 CFR 351.310(d).

<sup>&</sup>lt;sup>12</sup> The Department recently announced a change in the deadline to submit publicly available information to value factors of production under 19 CFR 351.301(c)(3)(ii). To all segments initiated on or after May 10, 2013, the deadline to submit publicly available information to value factors of production in an administrative review is 30 days prior to the scheduled preliminary results of review. This change will not apply to the eighth administrative review of wooden bedroom furniture from the PRC due to the effective date. *See Definition of Factual Information and Time Limits for Submission of Factual Information*, 78 FR 21246 (April 10, 2013).

such factual information is served on the interested party. However, the Department generally will not accept in the rebuttal submission additional or alternative surrogate value information not previously on the record, if the deadline for submission of surrogate value information has passed.<sup>13</sup> Furthermore, the Department generally will not accept business proprietary information in either the surrogate value submissions or the rebuttals thereto, as the regulation regarding the submission of surrogate values allows only for the submission of publicly available information.<sup>14</sup>

#### Assessment Rates

Upon issuing the final results of these reviews, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by these reviews.<sup>15</sup> The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of these reviews.

For each individually examined respondent in these reviews whose weighted-average dumping margin is above *de minimis* (*i.e.*, 0.5 percent) in the final results of these reviews, the Department will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those sales, in accordance with 19 CFR 351.212(b)(1).<sup>16</sup> Where an importer- (or customer-) specific *ad valorem* rate is greater than *de minimis*, the Department will instruct CBP to collect the appropriate duties at the time of liquidation.<sup>17</sup> Where either a respondent's weighted average

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<sup>&</sup>lt;sup>13</sup> See, e.g., Glycine from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part, 72 FR 58809 (October 17, 2007), and accompanying Issues and Decision Memorandum at Comment 2.

<sup>&</sup>lt;sup>14</sup> See 19 CFR 351.301(c)(3).

<sup>&</sup>lt;sup>15</sup> See 19 CFR 351.212(b).

<sup>&</sup>lt;sup>16</sup> In these preliminary results, the Department applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

<sup>17</sup> See 19 CFR 351.212(b)(1).

dumping margin is zero or *de minimis*, or an importer- (or customer-) specific ad valorem dumping margin is zero or *de minimis*, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.<sup>18</sup> We intend to instruct CBP to liquidate entries of subject merchandise exported by the PRC-wide entity at the PRC-wide rate.

The Department announced a refinement to its assessment practice in NME cases.

Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales database submitted by companies individually examined during the administrative review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. Additionally, if the Department determines that an exporter had no shipments of subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the PRC-wide rate. <sup>19</sup>

Furthermore, Petitioners requested that we issue specific liquidation instructions related to certain entries of Marvin Furniture's and the Foliot Group's subject merchandise. Due to the proprietary nature of these comments, we addressed these comments in a separate memorandum.<sup>20</sup>

#### Cash Deposit Requirements:

The following cash deposit requirements will be effective upon publication of the final results of these reviews for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) For the companies listed above that have a separate rate,

<sup>19</sup> For a full discussion of this practice, <u>see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties</u>, 76 FR 65694 (October 24, 2011).

<sup>&</sup>lt;sup>18</sup> See 19 CFR 351.212(b)(1).

<sup>&</sup>lt;sup>20</sup> See Memorandum from Patrick O'Connor to Abdelali Elouaradia, Re: "2012 Administrative Review of Wooden Bedroom Furniture From the People's Republic of China: Entries made by Marvin Furniture and the Foliot Group," dated concurrently with this notice.

the cash deposit rate will be that rate established in the final results of these reviews (except, if the rate is zero or *de minimis*, then a zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the PRC-wide entity; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter.

With respect to Dongguan Chengcheng, the new shipper respondent, the Department established a combination cash deposit rate for this company, consistent with its practice, as follows: (1) for subject merchandise produced and exported by Dongguan Chengcheng, the cash deposit rate will be the rate established for Dongguan Chengcheng in the final results of the NSR; (2) for subject merchandise exported by Dongguan Chengcheng, but not produced by Dongguan Chengcheng, the cash deposit rate will be the rate for the PRC-wide entity; and (3) for the subject merchandise produced by Dongguan Chengcheng, but not exported by Dongguan Chengcheng, the cash deposit rate will be the rate applicable to the exporter.

These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply

with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

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Paul Piquado Assistant Secretary for Enforcement and Compliance

February 18, 2014 Date

# Appendix I

## List of Topics Discussed in the Preliminary Decision Memorandum

- 1. Scope of the Order
- 2. No Shipments
- 3. Bona Fide Sale Analysis
- 4. Non-Market Economy Country Status
- 5. Separate Rates
- 6. Surrogate Country
- 7. Economic Comparability
- 8. Significant Producer of Comparable Merchandise
- 9. Data Availability
- 10. Date of Sale
- 11. Normal Value Comparisons
- 12. Determination of Comparison Method
- 13. U.S. Price
- 14. Normal Value
- 15. Factor Valuations
- 16. Currency Conversion

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